

**Ordinance No. 45-703****AN ORDINANCE OF THE CITY OF WICHITA  
ESTABLISHING THE KELLOGG AND OLIVER REDEVELOPMENT DISTRICT**

**WHEREAS**, the provisions of K.S.A. 12-1770, *et seq.*, set forth the procedure for the establishment of a redevelopment district for certain purposes; and

**WHEREAS**, the Governing Body of the City of Wichita, by Resolution No. 03-104 dated March 4, 2003, has given notice of its consideration of the establishment of the Kellogg and Oliver Redevelopment District, described the proposed boundaries of the district, described the proposed district plan, and set the date, hour, and place of a public hearing on the establishment of the district; and

**WHEREAS**, a public hearing required by K.S.A. 12-1771, as amended, has been held and concluded; and

**WHEREAS**, the Governing Body of the City of Wichita finds and determines that the Kellogg and Oliver Redevelopment District area qualifies as an eligible area as a “conversation area” under K.S.A. 12-1770a, as amended, in that

- a. The area comprises 15% or less of the land area within the corporate limits of the City,
- b. 50% or more of the structures in the area have an age of 35 years or more (19 of the 20 structures or 95% older than 35 years),
- c. The area is not yet blighted, but may become a blighted area due to the existence of the combination of the following:
  1. dilapidation, obsolescence or deterioration of the structures;
  2. the presence of structures below minimum code standards;
  3. excessive vacancies; and

**WHEREAS**, the Governing Body of the City of Wichita finds and determines that the conservation, development or redevelopment of such area is necessary to promote the general and economic welfare of the City; and

**WHEREAS**, the Governing Body of the City of Wichita has considered the proposed redevelopment district plan for the area; and

**WHEREAS**, the Governing Body of the City of Wichita desires to establish a redevelopment district that encompasses the Kellogg & Oliver Redevelopment District area;

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE  
CITY OF WICHITA, KANSAS:**

Section 1. A redevelopment district is hereby established that shall hereafter be designated the Kellogg and Oliver Redevelopment District. The boundaries of such redevelopment district in the City of Wichita, Sedgwick County, Kansas, is specifically set forth in Exhibit "A" attached hereto, and is in the general area bounded on the north of Kellogg Drive, on the east by Glendale Avenue, on the south by Orme Street, and on the west by Pershing Avenue.

Section 2. It is found and determined that the Kellogg and Oliver Redevelopment district area is an eligible area and the conservation, development or redevelopment of such area is necessary to promote the general and economic welfare of the City.

Section 3. The redevelopment district plan identifying all the proposed redevelopment project areas along with the general description of the buildings and facilities that are proposed to be constructed or improved in each redevelopment project area is approved and attached hereto as Exhibit "B".

Section 4. This ordinance shall be in force and effect from and after its passage, approval, and publication once in the official City paper.

**ADOPTED at Wichita, Kansas, this 6<sup>th</sup> day of May 2003.**

---

Carlos Mayans, Mayor

ATTEST:

---

Pat Graves, City Clerk

Approved as to Form:

---

Gary E. Rebenstorf, City Attorney

## Exhibit “B”

### REDEVELOPMENT DISTRICT PLAN FOR THE REDEVELOPMENT OF THE KELLOGG & OLIVER DISTRICT THROUGH TAX INCREMENT FINANCING

March 4, 2003

#### SECTION 1: PURPOSE

A redevelopment district plan is required for inclusion in the establishment of a redevelopment district under K.S.A. 12-1771(d). The redevelopment district plan must identify proposed redevelopment project areas within the district, and describe in a general manner the buildings and facilities proposed to be reconstructed or improved.

#### SECTION 2: DESCRIPTION OF TAX INCREMENT INCOME

Projects financed through tax increment financing typically involve the creation of an “increment” in real estate property tax income. The increment is generated by segregating the assessed values of a defined geographic area such that a portion of the resulting property taxes flow to the City to fund projects in the redevelopment district, and the remaining portion flows to all remaining taxing jurisdictions. The portion of property taxes flowing to the City is determined by the increase in assessed value of the properties within the redevelopment district as a result of the new development occurring within the same area. When the aggregate property tax rates of all taxing jurisdictions are applied to this increase in assessed value from new development, increment income is generated. New development within the district is funded by the City and repaid over a specified period of time within this increment income. The property taxes from the assessed values prior to redevelopment, the “original valuation,” continue to flow to all taxing jurisdictions just as they did prior to redevelopment. This condition continues for the duration of the established district, as defined by statute, or until all eligible projects costs are funded, whichever is of a shorter time frame.

#### SECTION 3: BUILDING AND FACILITIES

The proposed redevelopment district is within the city limits of Wichita. The district is in the general area on the north of Kellogg Drive, on the east by Glendale Avenue, on the south by Orme Street, and on the west by Pershing Avenue (see Exhibit “A” attached hereto).

In the late 1990s, the City of Wichita extended the Kellogg Freeway through the intersection of Kellogg and Oliver and constructed a grade-separation interchange, which significantly expanded the Kellogg right-of-way, resulting in the demolition of several commercial properties. Also during this time, the area was struck by a tornado, which severely damaged several buildings and destroyed one larger commercial building. Existing structures in the proposed redevelopment district include a large commercial building, constructed in 1984, “four-plex” apartments built in 1942 and single-family dwellings built in the late 1940s and early 1950s.

#### SECTION 4: REDEVELOPMENT

Most of the property is currently owned by the preferred developer of the proposed redevelopment district. He proposes to demolish the existing structures and construct new commercial buildings on the site, along with drives, surface parking and landscaping. Initial planning has focused on the development of a neighborhood commercial center on the west side of Oliver, south of Kellogg, and one or more free-standing commercial buildings on the east side of Oliver. Tax increment financing by the City of Wichita could be used to acquire real estate, pay for demolition, site work, paving, landscaping and extending utilities.

## SECTION 5: SUMMARY

Per statute, the specific redevelopment projects to be funded with tax increment financing will be presented to the Governing Body for approval through the adoption of a redevelopment project plan. The project plan will identify the specific project area located within the established redevelopment district and will include detailed descriptions of the projects as well as a financial feasibility study showing that the economic benefits to the public outweigh the costs to the public. The redevelopment plan must be reviewed by the Metropolitan Planning Commission and submitted for a public hearing following proper notification of property owners and occupants, before it can be adopted by a two-thirds majority vote of the Governing Body. Only then can tax increment income be spent on the redevelopment projects.